

German Crown Prince, Sorely Pressed By Franco-Americans, In Danger of Disaster

CUTTING OFF OF HUN ARMY IN THE CHATEAU-THIERRY SECTOR AIM OF SWIFTLY ADVANCING AMERICANS

DRIVE OF THE ALLIES GOES ON, WITH THE GERMANS ONLY ABLE TO STIFFEN THEIR RESISTANCE--EAST OF RHEIMS THE FRENCH HAVE REGAINED THEIR FORMER BATTLE LINES -- TEUTONS REALIZE FOCH HAS OBTAINED THE UPPER HAND

FRENCH ARMY HEADQUARTERS, July 22.—(Via Ottawa.)—North of the Marne the Germans are making preparations for a further retreat.

LONDON, July 22.—The French troops in Champagne between the river Suippe and Massiges have regained all their old front line, according to advices reaching London this evening.

WITH THE FRENCH ARMY ON THE AISNE-MARNE FRONT, July 22.—(By the Associated Press.)—(Noon.)—There were signs everywhere today that the Germans are destroying the material and munitions in the pocket to the north of the river Marne between Soissons and Rheims, preparatory to the entire evacuation of that area.

The Germans are having the greatest difficulty in maintaining the communications in the salient. They are unable to utilize most of the railroads leading northward, owing to the incessant harrying from Entente Allied aviators and artillery.

The night was comparatively calm but several local counter-attacks were executed by the Germans in an endeavor to cover the retreat of their main body. These attacks in every instance were unsuccessful.

(By the Associated Press.)

The drive of the American and French forces into the Soissons-Rheims salient between Soissons and the region of the Marne continues. The Germans at some points are counter-attacking desperately, but their efforts thus far have proven futile in more than impeding the advance.

Further ground has been gained by the allied forces south of Soissons, in the center of the line along the Ourcq river and north and east of Chateau-Thierry. Additional large numbers of Germans have been made prisoners and numerous guns and quantities of war materials have been captured.

In the Marne region the American troops on the northern bank of the stream are well on the heels of the fleeing enemy east of Chateau-Thierry between Chartres and Gland. At last reports their advance had been pushed virtually four miles from their old positions on the southern bank and they were pressing the enemy northward in the direction of Forcen-Tardennes, possibly with the intention of endeavoring to link up with the French forces proceeding eastward along the Ourcq. Farther east along the Marne the French have been enabled to throw forces across to the northern bank of the stream.

Severe fighting is in progress between the British, French and Italian troops and the enemy southwest of the line where the British have made a further advance while the Champagne to the east of Rheims the French are reported to have regained all their old front line positions between the river Suippe and the town of Massiges.

The German defensive has noticeably stiffened on the western front. The French need advance, but although large numbers of prisoners have been taken into the fighting the maneuvers seem to be more in the nature of a series of small-scale attacks designed to keep the enemy off balance and to prevent him from concentrating his forces to stand and fight with the main body of the allied forces.

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GERMANS CLAIM SUCCESS IN SUNDAY FIGHTING IS COMPLETE

HEILBRON, Via London, July 22.—The war office claims that the fighting in France on Sunday resulted in a complete success for the German army. The official statement issued today describes numerous heavy operations on all parts of the salient between Soissons and Rheims, and declares that all the salient of the allied forces were repulsed. The statement reads: "The fighting between the Aisne and the Marne the battle continues with undiminished violence. In spite of heavy defeats on July 20, the enemy, bringing into action fresh divisions and tanks which had been newly brought up, again advanced. His assaults broke down, and prisoners confirm heavy losses. Yesterday's fighting again resulted in a complete success for the German army. In the Aisne and southern

Pershing Praises Wounded Americans

PARIS, July 22.—(By the Associated Press.)—"Your country is proud of you and I am more than proud to command such men as you. You have fought splendidly." General Pershing thus addressed wounded American soldiers lying in the American Red Cross hospitals in Paris today. In each ward of every hospital he talked to the men. He inquired if they were being well cared for, how and where they were wounded, what regiments they belonged to, and expressed his sympathy to scores of patients. General Pershing also talked to the physicians, surgeons and nurses and thanked them for the work they were doing in caring for the wounded. "No one can ask more of any fighting force than that they should do as well as you have done," he said to his troops. The general added that he wished he could talk personally with each and every man in the hospital but this was impossible. So he asked Major Perkins to repeat his message to each individual man: "The American people are proud of you."

PROBING BUM BOMBS USED IN SUB FIGHT

ANOTHER STEAMSHIP IS REPORTED ATTACKED

Large Vessel Off the Massachusetts Coast in Distress, Sends S. O. S. Call

WASHINGTON, July 22.—Secretary Daniels today asked the commandant of the first naval district for a report as to the reasons for the failure of bombs to explode after they were dropped by naval aviators who yesterday attacked a German submarine off Cape Cod yesterday. The aviators twice circled over the submarine when it was shelling a tug and barges, but apparently none of the bombs they let loose exploded.

NANTUCKET, Mass., July 22.—An airplane which landed at the village of Wauwauke to-night brought word that a steamer was in distress near Great Round Shoals, about five miles off the eastern end of the island. The vessel was described as in need of immediate assistance, but the nature of her injuries was not disclosed.

BOSTON, July 22.—An investigation was started today to determine why bombs carried by naval aviators failed to explode when dropped on or about the German submarine which attacked the tug Perth Amboy and her barges, off Cape Cod yesterday. Experts at the headquarters of the first naval district here said the bombs were provided to the different naval districts with explicit instructions that the mechanism must not be overhauled or any effort made to improve it. It was reported that some of the aviators had in fact made such an attempt.

Rear Admiral Spencer S. Wood, commanding the district, refused to comment on the report that the bombs dropped by the aviators yesterday were "blinds." In regard to the attack, he said:

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THE WEATHER

WASHINGTON, July 22.—Forecast: West Virginia—Local thunder showers Tuesday and probably Wednesday. Ohio—Local thunder showers Tuesday, slightly cooler northeast portion; Wednesday partly cloudy; probably showers south portion. Western Pennsylvania—Local thunder showers Tuesday, not quite so warm near Lake Erie; Wednesday showers.

Swift American Advance Hampers Withdrawal of Beaten Hun Armies

ENEMY RESISTANCE GROWS STRONGER, BUT PERSHING'S MEN WILL NOT BE DENIED, AND GAIN MORE GROUND AND CAPTURE IMPORTANT TOWN NORTH OF THE MARNE—GERMAN RETIREMENT TO STRONG DEFENSIVE POSITION IN THE NORTH RUMORED

WITH THE AMERICAN ARMY ON THE AISNE-MARNE FRONT, July 22.—(1:15 p. m.)—(By the Associated Press.)—The Franco-American advance continued this morning on the line south and to the west. The Germans made more ground and are slowly continuing forward further north, where they will fight for their lives. The allied heavy artillery is hammering military objectives in the Soissons area.

In connection with the heavy machine gun fire which has been concentrated by the Americans, prisoners say that machine gunners from a divisional school are being brought up to check the allied offensive.

WASHINGTON, July 22.—Fresh successes for the American forces in their drive on the Aisne and the Marne were reported in General Pershing's communique for yesterday, received today at the war department. The Americans were driving ahead with undiminished vigor and spirit, the statement said.

More than 6,000 prisoners, over 100 cannon and many trench mortars and machine guns have been taken by American divisions in the last few days on the Aisne-Marne front, General Pershing reported. This was accepted as meaning that the reference in Saturday's statement to 15,000 prisoners included those captured by both French and American units.

The statement follows: "Headquarters American expeditionary forces, July 21. Between the Aisne and the Marne the day has brought fresh success to our troops. With undiminished vigor and spirit, the statement said."

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SEVENTEEN BUSINESS MEN IN CUSTODY, CHARGED WITH GRAFT AND BRIBERY IN ARMY CONTRACTS

Hundreds of Thousands of Dollars of Raincoat Contracts Tainted With Fraud—Other Similar Disclosures Expected—Direct Bribery of Many Army Officers

NEW YORK, July 22.—Extensive conspiracies involving bribery and graft in connection with army contracts for rubber raincoats sent to soldiers in France were disclosed tonight by Department of Justice officials, simultaneously with the arrest of seventeen officers and employees of fifteen manufacturing companies in New York and Brooklyn on charges of bribery, fraud or conspiracy.

Army officers of the quartermaster's corps involved in the graft now are under surveillance and probably will be arrested soon in Washington or other cities where their duties as purchasing agents or inspectors take them.

Hundreds of thousands of dollars of raincoat contracts are tainted with fraud already uncovered by Department of Justice agents and other disclosures affecting army orders for clothing, soldiers' equipment, machinery and supplies, and involving arrests on criminal charges may be made soon, it was learned.

Direct bribery of unnamed army officers who had charge of letting contracts or inspecting goods is charged against a number of those arrested tonight.

U. S. FLAG FOR US



10 PR. CT. TAX ON ALL INCOME AGREED UPON

APPLIES TO INCOMES IN EXCESS OF \$1,000

For Single Person and in Excess of \$2,000 For Married Men or Women

WASHINGTON, July 22.—Inclusion in the new war revenue bill designed to raise \$5,000,000,000 by taxation of a 10 per cent normal tax on all incomes of individuals after deduction of \$1,000 exemption for unmarried persons, and \$2,000 exemption for married persons has been tentatively agreed upon by the house ways and means committee. This was understood today after the second session of the committee which is framing the bill for presentation in the house when congress reconvenes the last of August.

It was pointed out, however, the 10 per cent personal income tax feature is subject to adjustment, as the consideration of the measure in the committee continues. Chairman Kitchin, after today's session, stated that data before the committee shows that during the calendar year 1918 the net income reported by corporations will reach \$10,000,000,000, by individuals, \$7,000,000,000. The committee at today's session, Mr. Kitchin said, discussed the questions of deduction, credits and exemptions which will remain, he said, about as in the present law.

JAPAN AND U. S. AGREE TO SEND BIG EXPEDITION

INTERVENTION IN SIBERIA IMMINENT

President Wilson's Statement Will Enlighten World on the Details

LONDON, July 22.—The Japanese diplomatic council has agreed to the American proposal for joint intervention in Siberia, and the United States in Siberia, says a dispatch from Tokyo under date of July 21. A proclamation will be issued assuring Russia that the entente has no aggressive designs in intervening in Siberia, the dispatch adds.

It is probable that a relief commission will accompany the joint expedition, it is stated.

Tokyo, Friday, July 19.—It is believed in official circles here that the Japanese government reply to the proposal made by the United States relating to entente allied intervention in Siberia will be dispatched to Washington today. It is understood that the Japanese government answer accepts the American proposal in every particular.

LONDON, July 22.—A dispatch to the Times from Tokyo dated July 17, quotes a report that the Seiyun-Kai party is yielding and will accept the government's proposals regarding intervention. It is added that the government has forbidden the press to report movements of troops and other material information.

A meeting of the army, navy and finance ministers was to have been held on July 15 to complete arrangements for financing and provisioning the Japanese forces.

A Peking dispatch of July 17 to the Times says that the character of the contemplated allied action at Vladivostok has caused lively satisfaction there. The allies, it is believed in Peking, cannot do better for the moment than to occupy Vladivostok and securing their base. Thus supported, the Czechs can proceed to the north.

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MANY LIVES MAY BE LOST

GRAND RAPIDS, Mich., July 22.—Fire in the juvenile home, a city institution located near this city, to-night, practically destroyed the building. It is believed a number of inmates were burned to death.

REVOLT OF SLAVS IN AUSTRIA IS RUMORED

WASHINGTON, July 22.—Revolts and mutinies of Czech-Slavs and Jugoslavians in Bohemia and Hungary, reports are circulating today in a London dispatch, hold important possibilities.

The Jug-Slavs in Southern Austria and along the coast of the Adriatic extending to a line with the northern boundary of Italy, constitute a large portion of the disaffected population of the war party. It was pointed out today by officials here that these Slavs would flock to the standard of the allies if they had a chance and the on-ward marching Italians and French forces on the Albanian front would give them that opportunity.

GERMAN CONTROL OF U. S. METAL INDUSTRY ENDS IN DRASTIC MOVE

Alien Property Custodian Seizes Several of Largest Concerns

WASHINGTON, July 22.—German control of the metal industry in America probably has been discontinued by Alien Property Custodian Palmer in the seizure of several of the largest metal concerns in the United States, with ramifications in South America, Mexico and Canada. Mr. Palmer announced today that he has taken over the business of L. Vogelstein & Co., Inc., of New York City, with assets of more than \$9,000,000, and Beer, Sondheimer & Co., Inc., also of New York City, with assets of upwards of \$5,000,000. In addition, the custodian has seized the company-owned interest in the American Metals company, controlling a some sixteen companies in this country and South America, and Stafford & Co., of New York, dealers in silver bullion, with a capitalization of \$1,000,000. F. Stafford, principal stockholder in the latter company, is now interned at Fort Oglethorpe, Ga. Seizure of these companies resulted from investigations into the general metal situation now being made by the Federal Bureau of Investigation in the alien property custodian's office. It was revealed that the Beer-Sond-

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